

Executive Officer and Director Compensation Survey

June 30, 1999

In 1999, 182 out of 333 financial institutions participated in the Executive Officer and Director Compensation Survey, a participation rate of 54.7 percent. This year, for the first time the survey was sent to industrial loan companies. The participation rate was about the same as last year; however, due to the inclusion of the thrift and loans, the number of participants increased 8.3 percent from 166 participants in 1998.

Chief Executive Officer

Increases were seen among median CEO salaries at the smaller and larger financial institutions. Since 1996, salaries increased 9.8 percent in the Under \$50 million asset size group, 8.4 percent in the \$500 million - \$999 million category and 2.1 percent in the Over \$1 billion group, while remaining flat or down slightly among middle-sized financial institutions.

Chief Financial Officer

Since 1996, salaries have risen 23.9 percent in the \$500 million - \$999 million category, but have been edging down since 1997. After two years of little change, salaries in the Under \$50 million asset size group, increased 15.1 percent, while in the Over \$1 billion category, they increased for the second straight year to match 1996 levels. Salaries among middle-sized financial institutions remained flat or declined slightly.

Senior Loan Officer

Median salaries showed strong increases across the board, with the strongest growth among banks in the Under \$50 million asset size group at 21.2 percent, making three straight years of increases.

Possible factors that influence salary changes are local and national economic conditions, position turnover and changes in the makeup of the asset size group population.

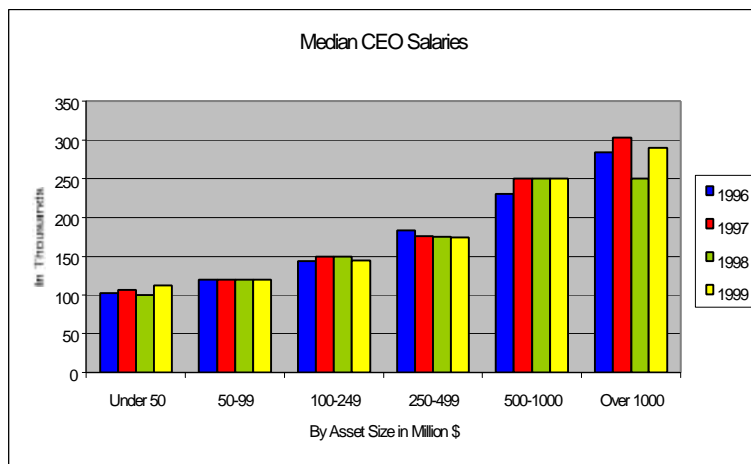
DIRECTORS' INFORMATION

Regular Board Meeting

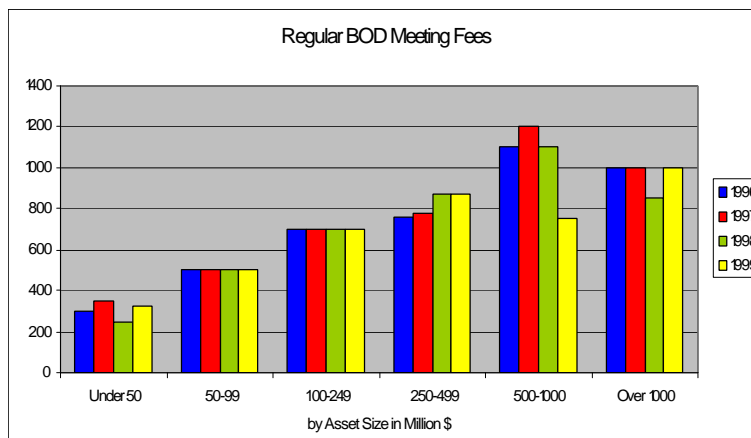
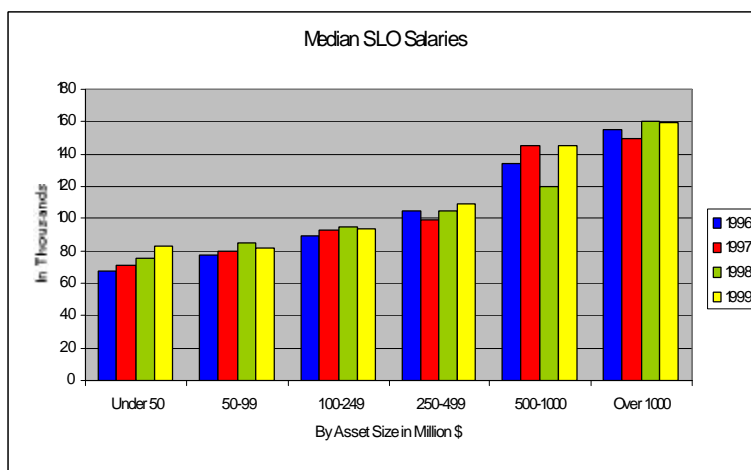
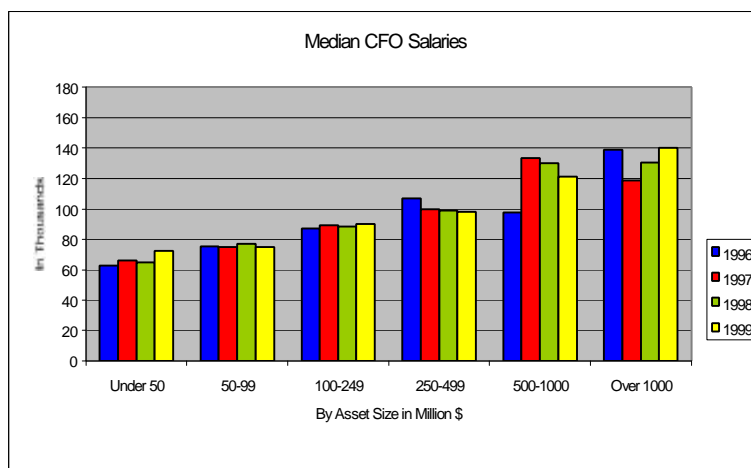
Median regular board meeting fees over the past three years were up 14.8 percent in the \$250 - \$499 million asset size group over the past three years, and up 8.3 percent in the Under \$50 million categories. Over the same period, fees were down 31.8 percent in the \$500 million - \$1 billion group, while remaining unchanged in all other categories.

Special Board Meeting

Since 1996, median fees for special board meetings have doubled in the \$500 million - \$1 billion group, and posted sizeable gains in the Under \$50 billion and \$250 - \$499 million categories. Fees were down in the \$50 -



\$99 million and \$100 - \$249 million categories while remaining



unchanged in the Over \$1 billion category.

Board Committee Meetings

Median fees in this category showed gains of 60 percent or more over 1996 levels in the Under \$50 million and \$500 - \$999 million asset category and were also up in the \$250 to \$499 million group. Fees in the other asset size groups remained flat or declined somewhat.

Annual Retainer

Median annual retainers were up 20 percent or more over 1996 levels in the \$50 - \$99 million and \$100 - \$249 million asset size group while remaining flat or declining somewhat in the other asset size categories.

REGIONAL DATA

Median salaries in Region II, (Bay Area) led the state in all categories, followed by Region III (LA/Orange) which was in second place. Region IV (Southern California exclusive of the Los Angeles Basin) took third place in all categories, while Region I (Northern California exclusive of the Bay Area) came in fourth.

We express our appreciation to the participating financial institutions and hope that this information will prove useful. Please contact me with any questions or comments at (916) 322-0282 or by email at jowen@dfi.ca.gov

JAN LYNN OWEN

Acting Commissioner of Financial Institutions

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